

CITY OF HIGHLAND, KANSAS

REGULATORY BASIS FINANCIAL STATEMENTS
For the year ended December 31, 2014

And

INDEPENDENT AUDITOR'S REPORT

...***KL***...

Karlin & Long, LLC
Certified Public Accountants

10115 Cherry Lane
Lenexa, Kansas 66220
(913) 829-7676

2200 Kentucky Avenue
Platte City, Missouri 64079
(816) 858-3791

901 Kentucky Street, Suite 104
Lawrence, Kansas 66044
(785) 312-9091

CITY OF HIGHLAND, KANSAS

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report on Financial Statements	1-3
Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4
Notes to Financial Statements	5-11
Schedule 1	
Summary of Expenditures - Actual and Budget	12
Schedule 2	
Schedule of Receipts and Expenditures - Actual and Budget	
General Fund	13
Special Highway Fund	14
Nonbudgeted Funds	15-16
Water Fund	17
Sewer Fund	18
Schedule 3	
Capital Projects Fund	19



Karlin & Long, LLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

The Honorable Mayor and City Council
P.O. Box 387
Highland, Kansas 66035

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Highland, Kansas ("Municipality") as of and for the year ended December 31, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas, this includes determining that the regulatory basis of accounting is an acceptable basis for the presentation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Highland, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Highland as of December 31, 2014, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Highland, Kansas (“Municipality”) as of December 31, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming opinion on the 2014 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2014 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 information has been subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally

accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note 1.

Karlin & Long, LLC

Karlin & Long, LLC
Certified Public Accountants

Lenexa, KS
May 22, 2015

CITY OF HIGHLAND, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2014

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 106,478	\$ -	\$ 369,076	\$ 349,444	\$ 126,110	-	\$ 126,110
Special Purpose Funds							
Special Highway	73,377	-	56,117	98,600	30,894	-	30,894
Deggenger Fund	41,692	-	313	9,662	32,343	-	32,343
Building Maintenance	6,580	-	10,838	7,532	9,886	-	9,886
Diversion Fund	8,517	-	1,700	1,309	8,908	-	8,908
Parks and Recreation Fund	3,963	-	9,762	12,359	1,366	-	1,366
Grant 12-PF-035	47,734	-	50,000	97,734	-	-	-
Construction account	51,168	-	-	51,168	-	-	-
Business Funds:							
Water Utility	212,496	-	283,442	204,366	291,572	-	291,572
Sewer Utility	67,211	-	158,507	140,537	85,181	-	85,181
Capital projects							
Capital Projects Fund	27,098	-	-	-	27,098	-	27,098
Total Reporting Entity	\$ 646,314	\$ 0	\$ 939,755	\$ 972,711	\$ 613,358	\$ 0	\$ 613,358
Composition of Cash							
				Checking Accounts			\$ 481,570
				Savings Accounts			
				Petty Cash			
				Municipal Investment Pool			131,788
				Certificates of Deposit			
				Total Reporting Entity			\$ 613,358

The notes to the financial statements are an integral part of this statement.

CITY OF HIGHLAND, KANSAS

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Highland, Kansas is a municipal corporation governed by an elected six member council. The regulatory statement presents the City of Highland (the municipality). There are no organizations which meet the criteria for being combined in the City's report.

Regulatory Basis Fund Types

General Fund – The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds - Used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – Used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Funds – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, sewer fund, etc.)

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt. Accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

CITY OF HIGHLAND, KANSAS

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Budgetary Information

Kansas Statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds, and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenues other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the 2014 year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unused budgeted expenditure authority lapses at year end.

CITY OF HIGHLAND, KANSAS

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Budgetary Information (continued)

A legal operating budget is not required for capital projects funds, trust funds and the following special revenue funds:

- 1) Degginger Fund,
- 2) Building Maintenance Fund,
- 3) Diversion Fund,
- 4) Parks and Recreation Fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

NOTE 2 – Stewardship, Compliance and Accountability

We noted no violations of Kansas Statutes for the period under audit.

NOTE 3 – Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investments of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

State statutes place no limit on the amount the government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405.

CITY OF HIGHLAND, KANSAS

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – Deposits and Investments (Continued)

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2014.

At December 31, 2014, the City's carrying amount of deposits was \$ 613,358 and the bank balance was \$ 616,542. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance at year end, \$ 250,000 was covered by federal depository insurance and the remaining \$ 366,542 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial Credit Risk- Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE 4 – Defined Benefit Pension Plan

Plan Description – The City of Highland, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issue a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas; Topeka, KS 66603) or by calling 1-888-275-5737.

CITY OF HIGHLAND, KANSAS

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Defined Benefit Pension Plan (continued)

Funding Policy – K.S.A. 74-4919 and K.S.A. 74-4921 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depending on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of section 414 (h) of the Internal Revenue Code. Kansas law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

The State of Kansas is required to contribute the statutory required employers share.

NOTE 5 – Other Long Term Obligations from Operations

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the city is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the city makes health care available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Compensated Absences

City policies regarding vacation pay provide full-time employees vacations with pay for two weeks, then three weeks after five years of service, to accumulate to six weeks maximum. Sick leave for full time employees accrues at two weeks per year to accumulate to six weeks maximum. This amount has not been recorded in the financial statements.

CITY OF HIGHLAND, KANSAS

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – Claims and Judgments

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of June 10, 2014, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employee; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2013 to 2014 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

NOTE 7 – Operating Transfers

Transfers during 2014 were as follows:

From	To
General Fund	Special Highway Fund \$ 30,000 per K.S.A. 79-2526

NOTE 8 – Subsequent Events

Management has evaluated the effects of the financial statement of subsequent events occurring through May 22, 2015 which is the date at which the financial statement was available to be issued.

CITY OF HIGHLAND, KANSAS

NOTES TO FINANCIAL STATEMENTS

Note 9 - Long Term Debt

Changes in long-term liabilities for the City for the year ended December 31, 2014 were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds Series 2013	2.50%	3/25/2013	\$ 805,000	45,809	\$ 805,000	\$ -	\$ 11,943	\$ (11,943)	\$ 793,057	\$ 20,125
Leases										
Firefighting equipment	1.00%	6/1/05	17,000	6/1/25	10,442		868	(868)	9,574	102
KDHE Loan:										
Kansas Department of Health and Environment(Wastewater)	3.44%	8/1/99	797,380	9/1/18	203,031		42,464	(42,464)	160,567	6,141
Total Long Term Debt					\$ 1,018,473	\$ 0	\$ 55,275	\$ (55,275)	\$ 963,198	\$ 26,368

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	2015	2016	2017	2018	2019	2020-2024	2025-2029	2030-2034	2035-2039	2040-2044
Principal										
General Obligation Bonds	\$ 12,242	\$ 12,548	\$ 12,861	\$ 13,183	\$ 13,513	\$ 72,802	\$ 82,368	\$ 93,193	\$ 105,440	\$ 119,296
Special Assessment Bonds										
Certificates of Participation										
Capital Leases	876	885	894	903	912	4,698	406			
Revenue Bonds										
KDHE Loans	43,937	45,462	47,039	24,129						
Temporary Notes										
Total Principal	57,055	58,895	60,794	38,215	14,425	77,500	82,774	93,193	105,440	119,296
Interest										
General Obligation Bonds	19,826	19,520	19,207	18,885	18,556	87,540	77,972	67,148	54,901	41,047
Special Assessment Bonds										
Certificates of Participation										
Capital Leases	94	85	76	67	58	142	2			
Revenue Bonds										
KDHE Loans	4,775	3,361	1,898	385						
Temporary Notes										
Total Interest	24,695	22,966	21,181	19,337	18,614	87,682	77,974	67,148	54,901	41,047
Total Principal and Interest	\$ 81,750	\$ 81,861	\$ 81,975	\$ 57,552	\$ 33,039	\$ 165,182	\$ 160,748	\$ 160,341	\$ 160,341	\$ 160,343

CITY OF HIGHLAND, KANSAS

REGULATORY - REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2014

CITY OF HIGHLAND, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2014

Funds	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	\$ 454,850	\$ 0	\$ 0	\$ 454,850	\$ 349,444	\$ (105,406)
Special Purpose Funds:						
Special Highway	148,318	0	0	148,318	98,600	(49,718)
Capital Projects	37,098	0	0	37,098	0	(37,098)
Total Special Purpose Funds	185,416	0	0	185,416	98,600	(86,816)
Business Funds:						
Water Utility Fund	463,236	0	0	463,236	204,366	(258,870)
Sewer Utility Fund	179,221	0	0	179,221	140,537	(38,684)
Total Business Funds	642,457	0	0	642,457	344,903	(297,554)

CITY OF HIGHLAND, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2014

	Actual	Budget	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$ 104,042	107,274	\$ (3,232)
Delinquent tax	205		205
Motor vehicle tax	18,220	18,458	(238)
RV tax	395	358	37
16/20 Vehicle tax	2,097		2,097
Redemption District	1,100	5,500	(4,400)
Gross Earnings tax	3,365	7,896	(4,531)
Franchise fees	71,599	61,000	10,599
Intergovernmental revenues			0
Sales tax	112,407	130,000	(17,593)
Licenses, rent, permits	751	1,000	(249)
Municipal court	41,684	30,000	11,684
Interest income	2,547	2,000	547
Miscellaneous revenues	10,664		10,664
Reimbursements			0
Operating transfers			0
Total Cash Receipts	<u>369,076</u>	<u>363,486</u>	<u>5,590</u>
EXPENDITURES			
General government			
Personnel services	173,127	160,000	13,127
Commodities	34,608	90,000	(55,392)
Contractual	62,014	100,000	(37,986)
Public safety	25,427	28,000	(2,573)
Highways and streets		7,850	(7,850)
Neighborhood revitalization	7,120		7,120
Capital outlay	16,178		16,178
Debt Service	970		970
Operating transfers	30,000	69,000	(39,000)
Adjustment for qualifying budget credits			0
Total Expenditures	<u>349,444</u>	<u>\$ 454,850</u>	<u>\$ (105,406)</u>
Receipts Over (Under) Expenditures	19,632		
Unencumbered Cash, Beginning	106,478		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 126,110</u>		

CITY OF HIGHLAND, KANSAS
SPECIAL PURPOSE FUND
SPECIAL HIGHWAY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	\$	\$	\$ 0
Delinquent tax			0
Motor vehicle tax			0
RV tax			0
16/20M vehicle tax			0
Fuel tax	26,117	25,450	667
Sales tax			0
Bond proceeds			0
Interest income			0
Miscellaneous revenues			0
Operating transfers	<u>30,000</u>	<u>69,000</u>	<u>(39,000)</u>
Total Cash Receipts	<u>56,117</u>	<u>94,450</u>	<u>(38,333)</u>
EXPENDITURES			
Commodities	17,911	60,000	(42,089)
Contractual	80,689	60,000	20,689
Capital outlay		28,318	(28,318)
Debt Service			0
Operating transfers			0
Adjustment for qualifying budget credits			<u>0</u>
Total Expenditures	<u>98,600</u>	<u>\$ 148,318</u>	<u>\$ (49,718)</u>
Receipts Over (Under) Expenditures	(42,483)		
Unencumbered Cash, Beginning	73,377		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 30,894</u>		

CITY OF HIGHLAND, KANSAS
SPECIAL PURPOSE FUND
 ANY NONBUDGETED FUNDS
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2014

	<u>Degginger Fund</u>	<u>Building Maintenance</u>	<u>Diversion Fund</u>
CASH RECEIPTS			
Federal grants	\$	\$	\$
State aid/grants			
Licenses, rent, permits		4,500	1,700
Charges for services			
Interest income	313		
Miscellaneous revenues		6,338	
Operating transfers			
	<u>313</u>	<u>10,838</u>	<u>1,700</u>
EXPENDITURES			
Operations			
Personnel services			
Commodities	9,431	6,282	1,309
Contractual		1,250	
Park and Recreation	231		
Capital outlay			
Debt service			
Operating transfers			
Adjustment for qualifying budget credits			
	<u>9,662</u>	<u>7,532</u>	<u>1,309</u>
Receipts Over (Under) Expenditures	(9,349)	3,306	391
Unencumbered Cash, Beginning	41,692	6,580	8,517
Prior Year Cancelled Encumbrances	<u>0</u>	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	\$ <u><u>32,343</u></u>	\$ <u><u>9,886</u></u>	\$ <u><u>8,908</u></u>

CITY OF HIGHLAND, KANSAS
SPECIAL PURPOSE FUND
 ANY NONBUDGETED FUNDS
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2014

	Parks and Recreation Fund	Grant 12-PF-035	Construction Account
CASH RECEIPTS			
Federal grants	\$	\$ 50,000	\$
State aid/grants			
Licenses, rent, permits	6,700		
Charges for services			
Interest income			
Miscellaneous revenues	3,062		
Operating transfers			
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	<hr/> 9,762	<hr/> 50,000	<hr/> 0
EXPENDITURES			
Operations			
Personnel services	3,230		
Commodities	2,741		
Contractual	2,451	97,734	51,168
Parks and Recreation	3,937		
Capital outlay			
Debt service			
Operating transfers			
Adjustment for qualifying budget credits			
	<hr/>	<hr/>	<hr/>
Total Expenditures	<hr/> 12,359	<hr/> 97,734	<hr/> 51,168
Receipts Over (Under) Expenditures	(2,597)	(47,734)	(51,168)
Unencumbered Cash, Beginning	3,963	47,734	51,168
Prior Year Cancelled Encumbrances	0	0	0
	<hr/>	<hr/>	<hr/>
Unencumbered Cash, Ending	\$ <u>1,366</u>	\$ <u>0</u>	\$ <u>0</u>

CITY OF HIGHLAND, KANSAS
BUSINESS FUND
WATER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance- Over (Under)
CASH RECEIPTS			
Charges for services	\$ 232,855	\$ 230,000	\$ 2,855
Interest income			0
Miscellaneous revenues	50,587		50,587
Operating transfers			0
	<u>283,442</u>	<u>230,000</u>	<u>53,442</u>
Total Cash Receipts			
EXPENDITURES			
Production			
Personnel services	73,030	95,000	(21,970)
Commodities	21,901	65,000	(43,099)
Contractual	74,237	115,000	(40,763)
Refuse collection			0
Capital outlay		155,236	(155,236)
Debt service	32,068	33,000	(932)
Miscellaneous	3,130		3,130
Operating transfers			0
Adjustment for qualifying budget credits			0
	<u>204,366</u>	<u>\$ 463,236</u>	<u>\$ (258,870)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	79,076		
Unencumbered Cash, Beginning	212,496		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 291,572</u>		

CITY OF HIGHLAND, KANSAS
BUSINESS FUND
 SEWER FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2014

	Actual	Budget	Variance- Over (Under)
CASH RECEIPTS			
Charges for services	\$ 158,507	\$ 140,000	\$ 18,507
Interest income			0
Miscellaneous revenues			0
Operating transfers			0
	<hr/>	<hr/>	<hr/>
Total Cash Receipts	158,507	140,000	18,507
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Operations			
Personnel services	47,719	55,000	(7,281)
Commodities	26,252	35,000	(8,748)
Contractual	17,480	15,000	2,480
Capital outlay		21,221	(21,221)
Debt service	49,086	53,000	(3,914)
Operating transfers			0
Adjustment for qualifying budget credits			0
	<hr/>	<hr/>	<hr/>
Total Expenditures	140,537	\$ 179,221	\$ (38,684)
	<hr/>	<hr/>	<hr/>
Receipts Over (Under) Expenditures	17,970		
Unencumbered Cash, Beginning	67,211		
Prior Year Cancelled Encumbrances	0		
	<hr/>		
Unencumbered Cash, Ending	\$ 85,181		
	<hr/>		

CITY OF HIGHLAND, KANSAS
CAPITAL PROJECTS FUND
CAPITAL PROJECTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
CASH RECEIPTS			
Charges for services	\$	\$	\$ 0
Interest income			0
Miscellaneous revenues		10,000	(10,000)
Operating transfers			0
	<u>0</u>	<u>10,000</u>	<u>(10,000)</u>
Total Cash Receipts			
EXPENDITURES			
Operations			
Personnel services			0
Commodities			0
Contractual			0
Capital outlay		37,098	(37,098)
Debt service			0
Operating transfers			0
Adjustment for qualifying budget credits			0
	<u>0</u>	<u>37,098</u>	<u>(37,098)</u>
Total Expenditures			
	<u>0</u>	<u>\$ 37,098</u>	<u>\$ (37,098)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	27,098		
Prior Year Cancelled Encumbrances	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 27,098</u>		